



BKT

GROWING TOGETHER

Investor Presentation May 2016



Safe Harbor

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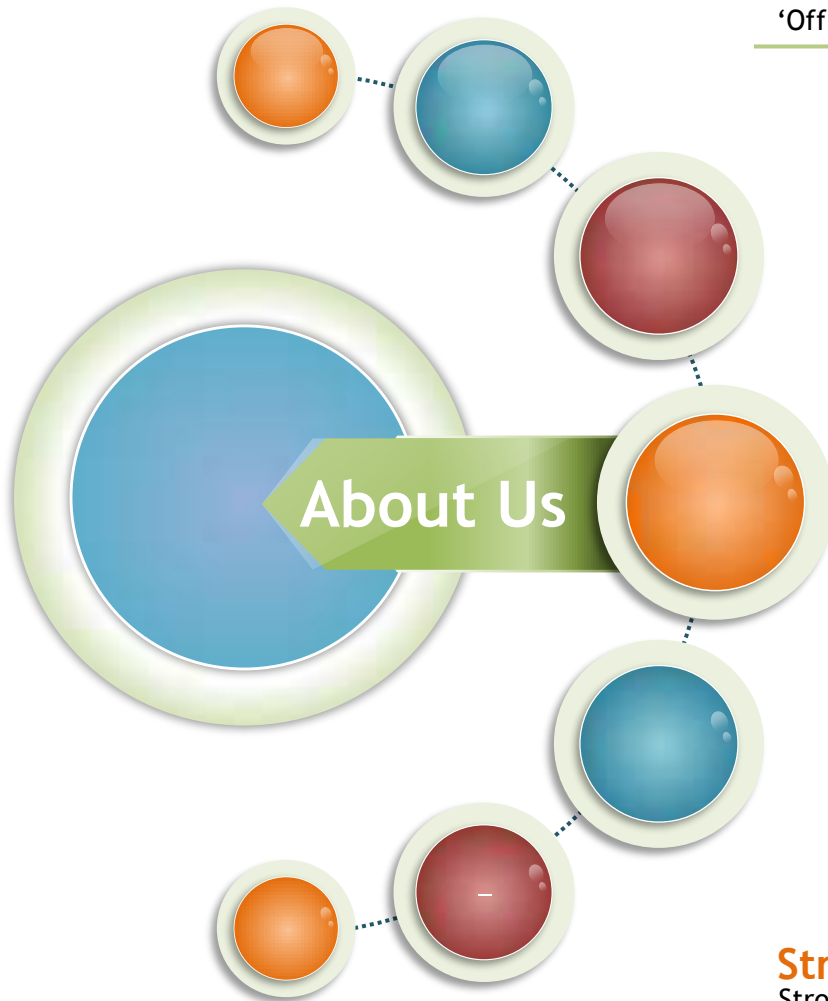
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Company Overview



Balkrishna Industries - An Introduction



Leading ‘Off-Highway Tire’ Exporter

BKT is India’s Leading player in the Global industry of ‘Off Highway Tire (OHT)’ Market

Wide and comprehensive product portfolio

Deep understanding of OHT market has led to capabilities to manufacture over 2,300 SKU

Capacities

Achievable capacities of ~300,000 M.T.P.A with facilities in Maharashtra, Rajasthan and Gujarat

Global Reach

Sales to over 130 countries through Distribution network in Americas, Europe, India and Rest of the World

Experienced Management Team

Experienced Management Teams across business divisions and verticals with wide knowledge of Global OHT Market

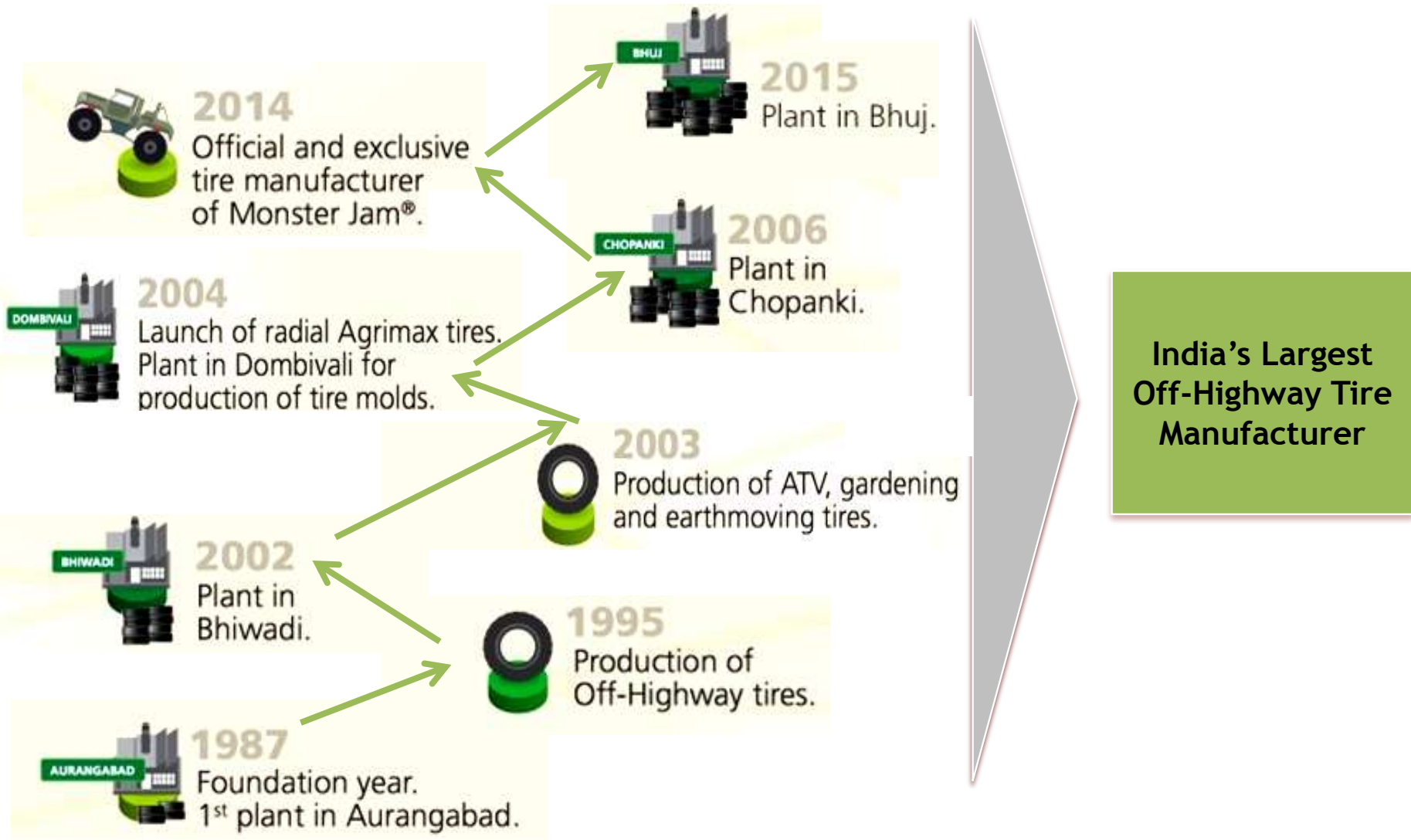
Locational Advantage

India, as Manufacturing base gives us huge competitive advantage in the Global OHT market

Strong OEM Presence

Strong Partnerships with Global OEM’s a testimony of our Brand Acceptance & Performance

Our Strong Evolution



Growing Under the leadership of ...

Focused Promoters with a Global Vision...

Mr. Arvind Poddar
Chairman &
Managing Director

Mr. Rajiv Poddar
Jt. Managing
Director

- Visionary with exemplary strategy and decision making capabilities
- Instrumental in 'Dreaming Big' and building an Indian MNC

...backed by Experienced Team

Mr. D M Vaidya

Head - Technical

Mr. B K Bansal

Head - Finance

Mr. K S Ray

Head - Manufacturing

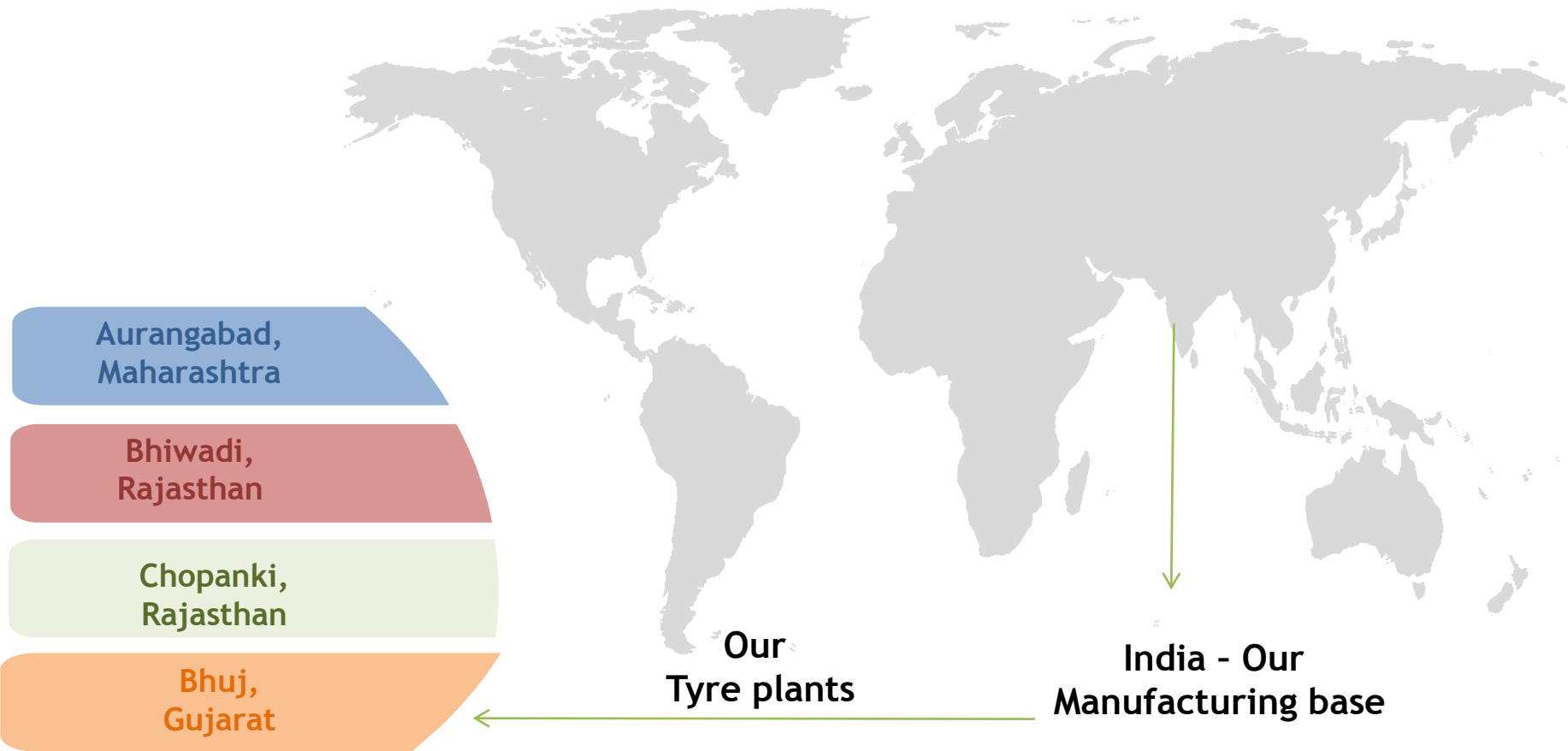
Mr. M S Bajaj

Head - Commercial

Mr. Vipul Shah

Company Secretary

India Production with Global Sales - An Indian MNC



Our 'India' Manufacturing Base is one of the Biggest Competitive Advantage

Serving Global OEMs



Accelerating Growth - R&D & Branding efforts

Continuous investment in R&D

- Investment in R&D is key in complex & evolving global market
- Our R&D centre in Chopanki hosts several laboratories as well as area for rigorous tire testing developing All Steel Radial Tire Prototypes
- We aim to design, develop and produce about 100-120 SKU's every year
- R&D Division has 90 staff members including researchers, engineers, technicians working in different teams and departments across production sites

Strong focus on Branding



- BKT is official and exclusive tire manufacturer of Monster Jam and its fleet of Monster Trucks
- Its showcases our products & its robustness across difficult terrains
- BKT participates in global trade fairs and exhibitions in the Tire Industry
- It allows us to showcase our innovation and keep our customers/OEMS/ Distributors abreast of our products and performance



BKT - A Strong Indian Brand



Applications of our Tires

Agriculture Tires



Cotton Pick Harvester



Tractor



Vineyard Harvester



Pivot Irrigator

Industrial Tires



Loader



Regular Dumper



Trailer

OTR Tires



Load Haul Dump



Underground Mining



Container Handler

Recent Participation in Trade Fairs

Exhibition in Bauma,
Germany



Agritechnica, Germany - 2015



SIMA 2015, Paris

Our Advertising Campaign to connect with Consumers



WE EXPERIENCE
being part of your field



AGRIMAX FORCE
RADIAL TRACTOR TIRES

- Heavy loads at low pressure
- Reduced soil compaction
- Excellent traction
- High speed
- Low fuel consumption



bkt-tires.com



WE EXPERIENCE
being part of your field

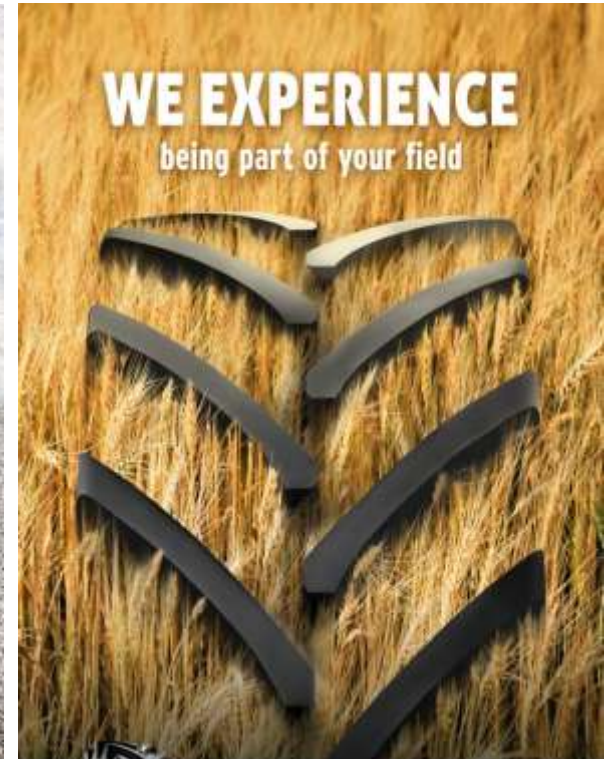


EARTHMAX
RADIAL OTR TIRES

- All-steel casing
- Extra-long tread life
- Excellent traction
- Superior stability
- Steel belts



bkt-tires.com



WE EXPERIENCE
being part of your field



AGRIMAX TERIS
RADIAL HARVESTING TIRES

- High loading capacity
- Reduced soil compaction
- Extraordinary traction
- Excellent flotation
- Top riding comfort



bkt-tires.com

Sunny Deol - Brand Ambassador



[\(Click here\)](#) for BKT commercial advertisement for Indian Markets

To help strengthen Brand BKT in India Markets

Our Performance



Financial Snapshot

FY16 #		Q4FY16	
Revenue* Rs. 3,467cr -10.9% YoY	EBITDA Rs. 1,089cr +8.5% YoY	Revenue* Rs. 949cr -7.4% YoY	EBITDA Rs. 310cr +5.9% YoY
PAT Rs. 576cr +15.5% YoY	Volume 148,244 MT -3.8 % YoY	PAT Rs. 155cr -4.0% YoY	Volume 41,306 MT +5.1% YoY

Management Commentary

Bhuj Operational

Bhuj Plant is fully operational with 140,000 MT capacity. Plant currently at EBITDA breakeven

Demand challenging

Demand environment remains challenging. However, we believe to grow our volumes in FY17

Record high margins

Low Raw material prices coupled with currency headwinds for competition led to record high EBITDA margins

Strong Balance Sheet

Strengthen Balance Sheet through high internal accruals and Debt repayment

*Includes other operating income + Crystallised Exchange (Loss)/Gain related to Sales

Includes Financials of 100% subsidiaries viz BKT Exim Ltd & BKT Europe SRL which reported Profits of Rs. 8.28cr

FY17 Strategy

Bhuj Utilization

Increase Bhuj Utilization gradually



Deepening Reach

Focus to add newer geographies, deepen our reach in existing geographies and capture demand to fulfill available capacity

Debt Repayment

Internal Accruals and Cash availability to be utilized for Debt Repayment of ~USD 92mn



Competitive Edge

Increase Competitive Edge and improving profitability by adding new SKU's, increased automation and cost control

FY17 Sales Target at 155,000-165,000 MT

Financial Highlights - Q4FY16

Standalone Tire Business



Particulars in Rs.Crs	Q4 FY16	Q4 FY15	YoY %
Sales (MT)	41,306	39,290	5%
Net Sales	874	872	
Other Operating Income	5	5	
Crystallised Exchange (Loss)/Gain related to Sales	70	148	
Total Sales Revenue	949	1,025	-7%
Raw Material	370	443	
(Increase) / Decrease in Stock	-3	30	
Employee Expenses	61	47	
Other Expenses	212	212	
EBITDA	310	293	6%
EBITDA Margin	32.7%	28.6%	
Other Income	11	5	
Interest & Finance Charges	8	8	
Depreciation	70	57	
Profit Before Tax	242	234	
Tax	87	72	
PAT	155	161	-4%
PAT Margin	16.3%	15.7%	
Cash PAT	225	218	3%
Cash PAT Margin	23.7%	21.3%	

Financial Highlights - FY16

Consolidated Tire Business



Particulars in Rs.Crs	FY16 #	FY15	YoY%
Sales (MT)	148,244	1,54,156	-4%
Net Sales	3,229	3,606	
Other Operating Income	29	33	
Crystallised Exchange (Loss)/Gain related to Sales	209	253	
Total Sales Revenue	3,467	3,893	-11%
Raw Material	1,389	1,860	
(Increase) / Decrease in Stock	33	16	
Employee Expenses	238	187	
Other Expenses	717	826	
EBITDA	1,089	1,004	9%
EBITDA Margin	31.4%	25.8%	
Other Income	83	11	
Interest & Finance Charges	34	45	
Depreciation	281	238	
Profit Before Tax	857	732	17%
Tax	281	234	
PAT	576	498	16%
PAT Margin	16.6%	12.8%	
Cash PAT	857	736	17%
Cash PAT Margin	24.7%	18.9%	

Includes Financials of 100% subsidiaries viz BKT Exim Ltd & BKT Europe SRL which reported Profits of Rs. 8.28cr

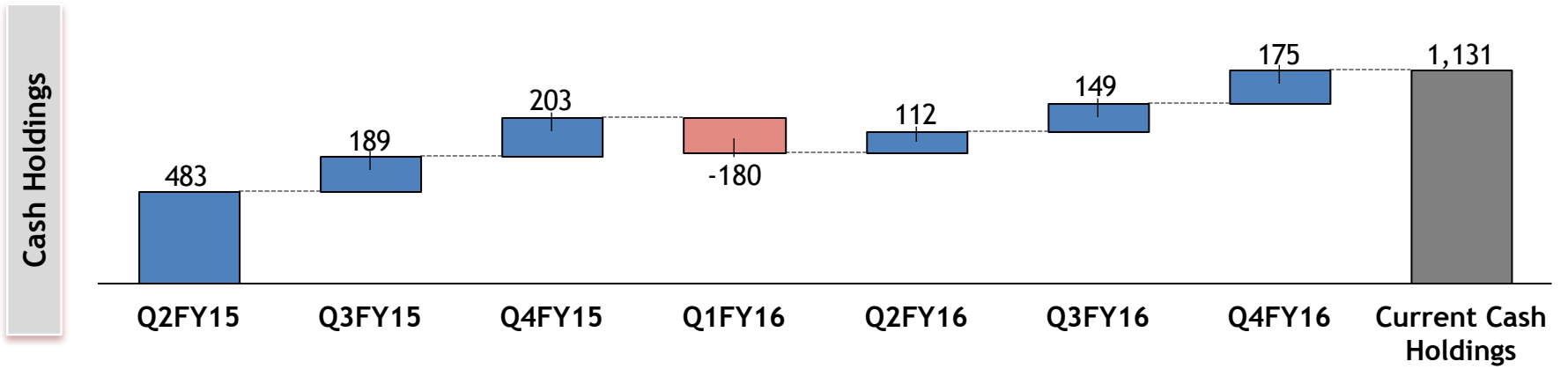
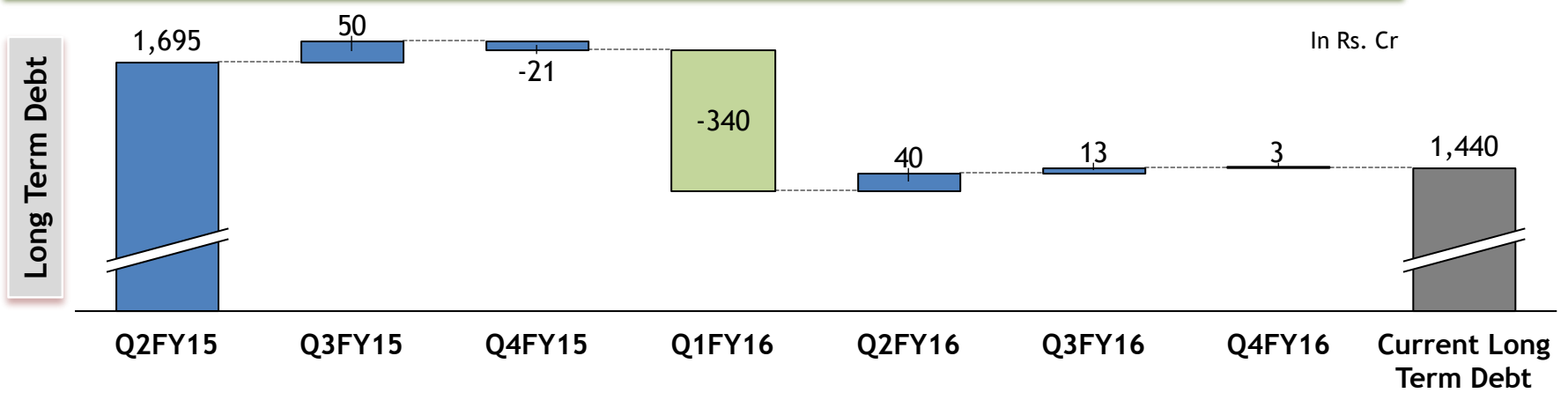
Balance-Sheet as on 31st March 2016

Consolidated Tire Business



Rs. Crs.	Mar-16	Mar-15	Rs. Crs.	Mar-16	Mar-15
Shareholder's Fund	2,788	2,292	Non-Current Assets	3,783	3,275
Share Capital	19	19	Fixed assets	3,085	3,049
Reserves & Surplus	2,769	2,273	Long-term loans and advances	136	168
Non-Current Liabilities	1,074	1,549	Non-current investments	561	58
Long term Borrowings	832	1,359	Current Assets	1,608	2,040
Deferred Tax Liabilities (net)	238	189	Current Investments	241	387
Other non-current liabilities	4	1	Inventories	297	392
Current Liabilities	1,528	1,474	Trade Receivables	558	602
Short term borrowings	474	633	Cash and bank balances	330	431
Trade Payables	341	380	Short-term loans and advances	180	227
Other Current Liabilities	713	461	Other Current Assets	2	1
Total Liabilities	5,390	5,315	Total Assets	5,390	5,315

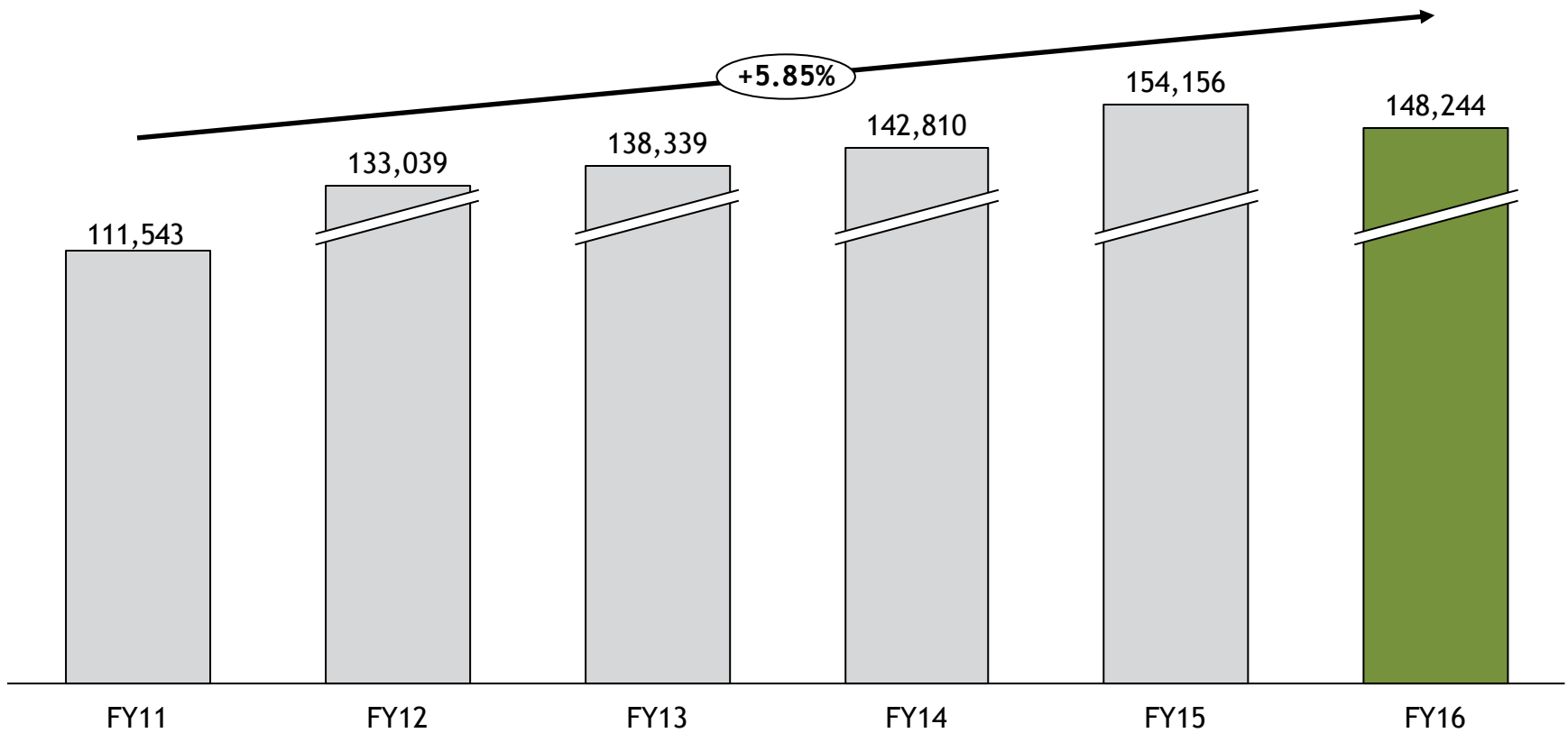
Net Long Term Debt to Equity at 0.11x



Net Long Term Debt to Equity improved from 0.58x in September 2014 to 0.11x in March 2016.
 BKT will be Long Term Debt free by FY19

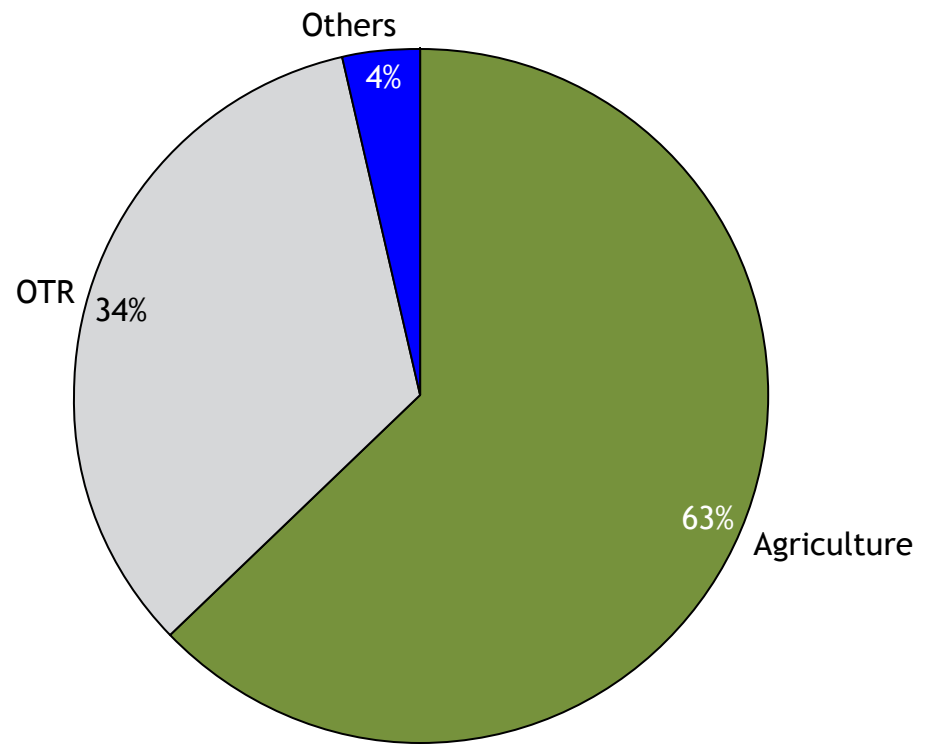
Sales Profile

In MT



Segmental Profile

Segmental Sales - FY16



Agriculture

Tractors, Trailers, Farm equipments

OTR

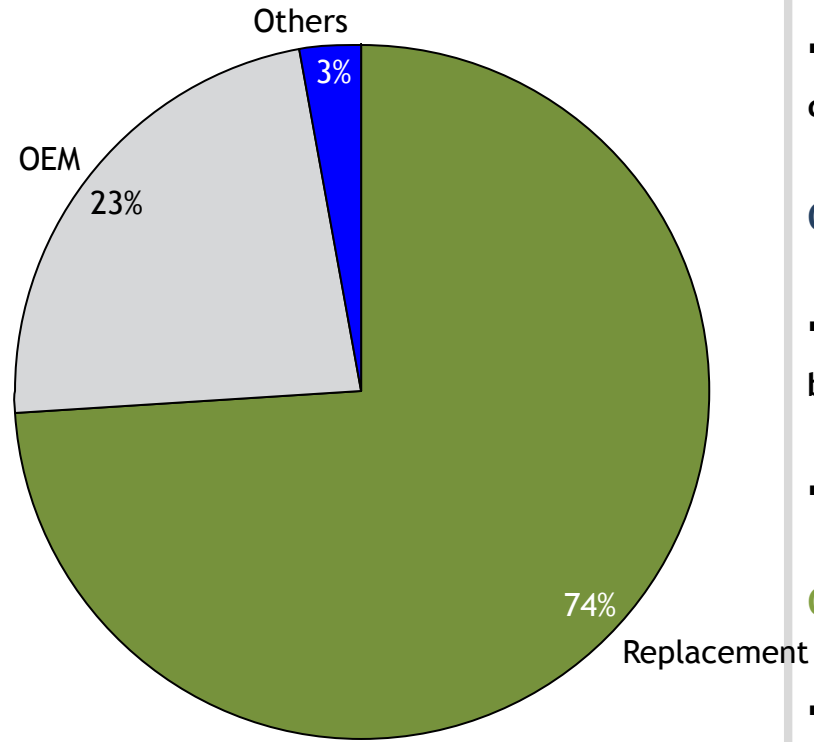
Industrial, Construction & Earth Moving equipments

Others

All Terrain Vehicles, Lawn & Garden vehicles

Sales Channel Profile

Sales Channel - FY16



- Distributors**
 - Caters to replacement market
 - Strong global network through a well diversified distributor network
- OEM's**
 - Penetrating deeper in increasing share of business with existing OEM's
 - Forging new relationships to expand OEM base
- Others**
 - Taking advantage of our large SKU strength

For further information, please contact:

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